

Utility Consumers' Action Network

UCAN

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January 16, 1998

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
1919 M Street, N.W. - Room 222
Washington, DC 20554RECEIVED
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FCC MAIL ROOM**Re: Policy and Rules Concerning the Interstate, Interexchange Marketplace;
Implementation of Section 254 (g) of the Communications Act of 1934, as amended:
CC Docket No. 96-61**

Dear Ms. Salas:

On December 4, 1997, the Telecommunications Management Information Systems Coalition and The Utility Reform Network filed a Petition for Further Reconsideration of the Federal Communications Commission's decision to eliminate the requirement for long distance carriers to provide pricing and service information regarding widely available services to the public. UCAN writes to support the Petition.

UCAN – The Utility Consumers Action Network – is a non-profit consumer advocacy and education organization that has represented approximately 40,000 small business and residential ratepayers in San Diego, California since 1983. Pursuant to the development of our advocacy efforts, we recently published a rate comparison for international phone calls, long distance calls and the first of its kind “apples to apples” comparison of the choices available in California for local residential telephone customers. (See Attachment “A”) In developing each rate survey, UCAN labored to identify published rates, after extensive research and analysis of often indiscernable or unpublished rate plans and schedules. It took approximately 60 hours for one of our full-time staff members to find and record accurate and reliable price schemes for each of the four carriers providing local phone service in California. Such information is of vital importance to our members and consumers in the State. Without such information, consumers can not make informed and meaningful choices in a competitive market. Many of our members were not even aware of the existence of viable alternatives to the local incumbent carrier -- Pacific Bell. Once informed of the availability of choice, consumers need full disclosure of the terms, rates and conditions of each competitor.

The same is true for long distance carriers as well: individualized prices schedules or “special” discounts and plans offered by competing long distance carriers are often confusing, subject to change without notice and difficult to verify. Hence, many of the oral communications between consumer and company are fraught with misinformation and misunderstandings regarding the available service offerings. Based upon repeated

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discussions with numerous long distance carriers. UCAN found that most carriers are reluctant or unwilling to disclose their rates in writing. Common sense combined with the dictates of a competitive environment demand that rates be published in comprehensible plain English. As proof of the importance of published rates, UCAN regularly receives phone calls and letters from consumers who are frustrated by the inability to understand complex regulatory and telephony language that carriers employ such as: interstate versus intrastate, local-toll calls, local-long-distance, mileage bands and facilities based service as opposed to resale. Hidden in telephone legalese are the terms by which most consumers are bound but which most do not understand. Without full and timely disclosure of the rates and their application within these concepts, consumers are often afraid or discouraged to shop around for the best offering, and consequently competition lessens.

In October 1996, the FCC adopted rules that prohibit long distance carriers from filing their tariffs for domestic long distance service with the FCC. At the same time, the Commission noted that consumers continue to need information about the rates, terms and conditions of long distance service. As a result, the FCC required carriers to make such information available to the public. In August 1997, the Commission inexplicably changed its position and eliminated the public disclosure requirement for mass market services even though no party requested such a change. Despite the FCC's elimination of the information disclosure requirement, a strong need for publicly available information regarding long distance services remains.

Consumers of long distance services, both residential and small business, rely on publicly available pricing information in order to make informed decisions about the telecommunications services they need. As even the FCC recognized in its October 1996 order, a public disclosure requirement promotes the public interest by making it easier for consumers to compare service offerings. Thousands of long distance calling plans and services are now available to the public. If consumers are to be able to make any meaningful distinctions between these plans, they must have access to detailed and accurate information regarding the plans. The only way to ensure that consumers have access to the plans that they are interested in, as opposed to the particular plan that a carrier happens to be promoting at a particular time, is through an FCC-mandated public disclosure requirement. The FCC should not deny consumers access to this important information.

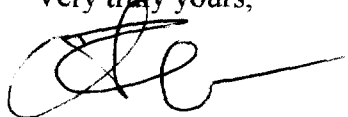
Consumers traditionally have served as the FCC's watchdogs over certain practices of the long distance industry. For example, the Communications Act prohibits carriers from charging consumers in rural and other high-cost areas higher rates than those charged to consumers in urban and other lower-cost areas. Absent the public availability of pricing information, however, consumers will be hard pressed to detect such impermissible price discrimination in the first instance. Moreover, even if consumers are able to determine that a violation has occurred, it will be difficult, if not impossible, to adequately support their complaints to the FCC.

The Commission suggests that billing and other advertising and promotional materials

will be available to serve the informational needs of consumers. This is far from true. First, billing information, by definition, is only available to a carrier's existing customers and therefore is unavailable to new customers who are comparison shopping and trying to decide between carriers and services. Second, the advertising and promotional materials provided by carriers are rarely detailed enough to enable a customer to make service-to-service and carrier-to-carrier comparisons. Moreover, these materials certainly will not be specific enough to allow consumers to detect--let alone support--a claim of carrier misconduct at the FCC. In short, the information available publicly without a specific Commission requirement will fall far short to meeting consumers' need.

UCAN thus fully supports the Petition and urges the Commission to promptly reinstate the public information disclosure requirement for widely available services. Only in this way can the Commission ensure that consumers have access to information crucial to both consumer choice and the consumer complaint process.

Very truly yours,

A handwritten signature in black ink, appearing to be 'Charles Carbone', with a long horizontal line extending to the right.

Charles Carbone
On behalf of UCAN

INTERNATIONAL CALLING GUIDE

After UCAN looked at 10 long-distance phone companies in 14 countries and 5 continents, we found big differences on what you can pay for an international phone call. The results are clear: Excel and International Telcom USA offer the **BEST** rates among the countries examined. UCAN also found out how difficult it is to obtain accurate rate information. Be careful when you call a carrier because you may be quoted different rate information on different days. The companies call it "Individualized Attention." UCAN calls it "Massive Confusion" in an attempt to keep you from shopping around.

UCAN'S RATING SYSTEM



Good



Could be better



Room for improvement



Bad Deal



May want to Avoid

= Best Rate

How they rated:



	ATT	Tel America	Intl Telcom USA	Excel	America	Excel	IS Long Distance	Frontier	Sprint	WALD
AVERAGE:	\$0.74	\$0.97	\$0.64	\$0.73	\$0.99	\$0.56	\$0.83	\$0.90	\$0.98	\$0.96
Australia	0.45	0.60	0.28	0.45	0.35	0.44	0.30	0.40	0.65	0.65
Brazil	0.62	0.80	0.69	0.62	0.79	0.50	0.74	1.35	0.80	0.80
China	1.20	0.85	0.81	1.20	1.79	0.85	1.30	1.60	1.30	1.30
Colombia	0.76	0.88	0.68	0.76	1.31	0.51	0.71	1.4	0.92	0.92
France	0.35	0.59	0.28	0.35	0.38	0.34	0.37	0.35	0.50	0.50
Germany	0.35	0.55	0.28	0.35	0.38	0.34	0.36	0.36	0.50	0.50
Guatemala	0.73	0.87	0.72	0.73	1.35	0.53	1.04	1.29	0.98	0.98
Israel	0.62	1.15	0.69	0.62	0.79	0.51	0.95	1.50	0.89	0.89
Japan	0.48	0.63	0.36	0.48	0.66	0.47	0.41	0.39	0.70	0.70
Nigeria	0.74	1.00	0.81	0.74	1.22	0.59	0.94	0.59	0.94	0.94
Poland	0.59	1.04	0.46	0.54	0.54	0.49	0.69	0.53	0.70	0.53
Russia	1.14	1.41	0.67	1.14	0.69	0.72	1.16	0.75	1.35	1.02
Saudi Arabia	1.09	1.24	1.04	1.09	1.39	0.62	1.14	0.92	1.60	1.20
Vietnam	1.17	1.99	1.25	1.17	2.19	0.90	1.46	1.20	1.85	2.47





WATER RATES ESCALATING!

With the City's recent decision to increase the cost of water in San Diego, UCAN has received numerous complaints from our members. The majority of complaints express outrage at the way the city schedules the reading of the meters. Many members feel that their meters are read only during the summer months when water use is at an all-time high. Others have called to let us know that the cost of revamping San Diego's overburdened water system is being unfairly shifted to residential ratepayers.

On June 25, 1997 UCAN's board of directors voted to fund a water rate economist position to assess the situation and make recommendations on our members' behalf. However, at this time,

we've not found an economic analyst capable of monitoring and evaluating water rates and policies. If you know of someone, please refer them to UCAN.

Local Phone Service Shopping Guide

	PACIFIC BELL	MCI	SPRINT	ATT
Toll Free#	1-800-310-2355	1-888-624-5622	1-800-425-0982	1-800-222-0300
Cost to switch	\$5.00	Free for a limited time	\$5.00	Free for a limited time
Cost of Basic Service	\$11.25 per month (free calls 12 mi radius)	\$10.95 per month (free calls 12 mi radius)	\$11.25 per month (free calls 16 mi radius)	\$11.25 per month (free calls 12 mi radius)
Our Opinion: (See ratings key on page 5)				
Best Feature	1) for an add'l \$4.50 per month you get a 30% discount on all local toll calls. 2) for an additional \$7 per month you can get a 40% discount on all calls made to a specific community. All other calls get a 30% discount.	1) Best deal for day - time toll calls of 17 miles or more. 2) Lowest monthly fee of any provider.	Sprint has extended its local call zone to 16 miles.	Significantly better rates than Pac Bell.
"Gotcha's" (Hidden traps, charges and miscellaneous fees).	1) Highest rates for local service. 2) Pac Bell has the most complicated rates of any provider.	Toll calls made within a 12 to 16 mile radius of your home cost about as much as Pacific Bell.	Sprint charges more for value added services such as, "information 411." (see table, page 8)	ATT's flat rate of 8¢ per minute can actually cost 1¢ to 3¢ per min. more than Pac Bell for weekend calls in the 17 to 40 mile range.
Cost of Local Toll Calls: 12 to 16 Miles	Day 8¢ 1st min, 2¢ add'l Evening 5.6¢ 1st min, 1.3¢ add'l Night/Weekend 3¢ 1st min, 1¢ add'l	Day 8¢ first min, 2¢ add'l Evening 6¢ 1st min, 1¢ add'l Night/Weekend 3¢ 1st min, 1¢ add'l	Unlimited Free Calling	2¢ per minute 24-hours a day
Cost of Local Toll Calls: 17 to 20 Miles	Day 11.4¢ 1st min, 7¢ add'l Evening 9.1¢ 1st min, 5.6¢ add'l Night/Weekend 6.8¢ 1st min, 4.2¢ add'l	4¢ per minute 24 hours a day	8¢ per minute during business hours, and 5¢ per minute during off-peak hours	8¢ per minute 24 hours a day
Cost of Local Toll Calls: 21 to 40 Miles	Day 13.6¢ 1st min, 11.4¢ add'l Evening 10.8¢ 1st min, 9.1¢ add'l Night/Weekend 8.2¢ 1st min, 6.8¢ add'l	4¢ per minute 24 hours a day	8¢ per minute during business hours, and 5¢ per minute during off-peak hours	8¢ per minute 24 hours a day
Cost of Local Toll Calls: 41 to 70 Miles	Day 14.7¢ 1st min, 12.5¢ add'l Evening 11.8¢ 1st min, 10¢ add'l Night/Weekend 9¢ 1st min, 7.5¢ add'l	4¢ per minute 24 hours a day	8¢ per minute during business hours, and 5¢ per minute during off-peak hours	8¢ per minute 24 hours a day

Rates shown were reported to UCAN in September, 1997. Rates may change.

■UCAN's Long-Distance "Ratebuster"

		Day Rate (per Min.)	Eves./ Weekds (per Min.)	Other Fees	Our Opinion/Comments
UltraCall 800-477-9692	State-to-State Within CA	11¢ 6.25¢	10.2¢ 6.25¢	No monthly charge. billed in 6 sec. increments with an 18 sec. minimum charge. No switching fees. Good calling card rates.	This is a great deal: no monthly charge or min. no switch fees, and billing in 6 second increments. 😊
AtCall 800-769-4445	State-to-State Within CA	10¢ 7¢	10¢ 7¢	No monthly charge. Billed in 1 min. increments. Excellent calling card rates	A good deal for heavy users. A great deal for light users, except for the 1 min. minimum charge. 😊
ATT 800-222-0300	"One Rate +" State-to-State Within CA	10¢ 5¢	10¢ 5¢	\$4.95 monthly fee plus the cost of your calls. All calls billed in 1 minute increments.	This plan costs \$60 a year for a good rate, but the 1 minute minimum will cost you. A bad deal for light users. 😞
MCI 800-950-5555	MCI-ONE State-to-State Within CA	12¢ 10¢	12¢ 10¢ <small>(Note: MCI now offers 5¢ per min. on Sun.)</small>	Must spend \$15 a mo or state-to-state calls will cost 15¢ per min. Billed in 6 sec increments after the first minute.	Unless you make all of your calls on Sundays, this is a bad deal. You must pay either \$180 a year to get a lousy rate, or pay 15¢ a minute. Outrageous! 😡
Sprint 800-425-0982	State-to-State Within CA	15¢ 15¢	10¢ 5¢	No monthly fee. Billed in 1 minute increments.	A good deal if you ONLY make off-peak calls. 😡
WALD* 800-788-8588	State-to-State Within CA	10¢ 10.5¢	10¢ 10.5¢	\$4.50 per month, plus the cost of your calls billed in 1 minute increments.	Good deal for interstate calls; not so good for CA calls. Gives useful info on bills. 😞
VarTec 800-969-0811	"Dime Line" State-to-State Within CA	10¢ 10¢	10¢ 10¢	\$5 per month. Minimum charge of 3 minutes - (1 min call = 3 min charge)	Looks good, but the 3 minute minimum and high monthly fee will cost you. 🗡️
Excel 800-875-9235	State-to-State Within CA	10¢ 10¢	10¢ 10¢	\$1 monthly minimum billing. Billed in 1 minute increments	Good interstate rate, bad California rate. 😞
ExpresTel 800-748-6350	State-to-State Within CA	12¢ 12¢	12¢ 12¢	\$2.95 per month. Billed in 1 minute increments	Interstate day rate is OK, but all others are terrible. 😞

*WALD is a for-profit corporation that donates 1% of its revenues to 35 charities.

UCAN'S RATING SYSTEM				
😊	😞	😞	😡	🗡️
Good	Could be better	Room for improvement	Bad Deal	May want to Avoid